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The Chicago Committee
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Remarks by Robert M. Gates
Acting Director of Central Intelligence
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CIA and American Foreign Policy

Introduction

I want to speak to you this afternoon on a subject of endless fascination to Americans and others all over the world: the role of CIA in American foreign policy. Never, in any field of human endeavor, has so much been written by so many that has been so wrong. Public views of CIA for years have been shaped primarily by movies, television, novels, newspaper accounts or allegations of misdeeds, headlines growing out of Congressional inquiries, grandstanding public figures, exposes by former intelligence officers, and studies by experts who have never served in American intelligence. While we can sometimes publicly refute false allegations of wrongdoing, often we must remain silent to protect sources and methods. Also, we have neither the resources nor the inclination to answer all the criticisms and allegations against us.

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The result is a contradictory melange of public images of CIA ranging from diabolically cunning to hopelessly incompetent, from clever manipulator of other agencies and the Congress to a hamstrung and near paralyzed bureaucracy, from a fiendishly clever and cynical fixer or destroyer around the world to a bunch of bunglers whose incompetence and over-caution have eviscerated key foreign policy initiatives and resulted in missed opportunities, from expositors of an exaggerated military threat and manufacturer of international tension to soft-headed liberals who have consistently underplayed the dangers facing America. We are said to be an invisible government and yet are the most visible, externally supervised and written about intelligence service in the world.

Today, I would like to lift the curtain a bit on the reality of CIA's role in American foreign policy. Let me start with a few facts to give you some perspective. Given the media's attention to covert action, I would like to say first of all that over 90 percent of the national foreign intelligence budget is devoted to the collection and analysis of information, along with required administrative support. About half of the Intelligence Community's and CIA's overall collection and analysis resources are devoted to the Soviet Union. The lion's share of that effort is devoted to Soviet weapons and military programs and the economic structure underpinning them.

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Intelligence Support to the Policy Process

Now, if CIA is not spending most of its time or money trying to overthrow governments, what exactly does it do? It devotes the overwhelming preponderance of its effort and money collecting information. We get information from satellites, from newspapers, periodicals, radios, and television around the world, from our diplomats and military attaches overseas and of course from classic spies. That information flows to Washington where analysts sift through it, examine it, collate it, try to make sense of the millions of bits and pieces that come to us on the nearly infinite number of issues and developments world-wide of interest to the United States. We then report our findings to policy officials and military commanders.

Thus, however disappointing, the typical CIA officer is not much like James Bond or Rambo. Indeed, they are dedicated people who spend their lives under cover in all corners of the world working long hours collecting scraps of information -- or more rarely, the mother lode -- that will help complete the mosaic in Washington; they are the engineers who are at the cutting edge of space technology; they are the specialists in a hundred disciplines trying to make an ever more complicated world understandable and to provide warning not just of war but of dramatic change of any kind that will affect the fate or well-being of the United States.

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What is intelligence information and how is it used by the policymaker? The key is the relevance of the information to US policy and US interests. It is the focus of our analysis on US national security interests, and the advantage of unique or prior knowledge, that makes intelligence valuable to the policymaker. Some examples illustrate how intelligence directly serves the policymaker:

-- We have provided detailed information on Soviet tanks, on their armor, design, strengths and vulnerabilities. One specific result has been to provide vital information that allowed US weapons developers to improve anti-armor weapons.

-- We regularly provide detailed assessments to support economic or trade negotiations. Nothing gives the negotiator more of an advantage than knowing what the person on the other side of the table plans to propose or wishes to avoid.

-- Intelligence on the plans of terrorist to attack US or allied installations or personnel is regularly used to alert security forces and otherwise frustrate the actions of terrorists. We can point to many specific cases where intelligence allowed us to prevent attacks.

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-- CIA recently completed a comprehensive analysis of how the Soviets place officers into the UN so they can influence the policies and members of that organization.

-- Analysis of foreign restrictions on US business operations and investments combined with foreign support for their own business ventures are essential inputs to US economic negotiations.

-- Information is regularly provided to law enforcement officials on intelligence acquired on the activities of drug traffickers. But equally important is analysis that has supported US efforts to convince heads of governments about the threat that drug traffickers pose to their people and their governments.

-- We identify key US or Western technologies being illegally acquired by the USSR, assess the value of the technology to the Soviets, the parties involved in the transactions, the involvement of foreign governments in the activities, and the specific process used by the Soviets to acquire the information or hardware.

-- As the US actively negotiates with the USSR on arms control, intelligence assesses the ability of the US to monitor Soviet compliance or non-compliance with agreements.

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Information on these issues, the policies and attitudes of key leaders and new governments, trends in oil production, the plans of debtor nations to suspend payments or challenge creditors, and countless other subjects is key to the formulation of effective US policies.

Intelligence Support

How, then, does this information find its way to the policymaker?

First of all, there is the intelligence that senior officials get day to day and during crises. The President receives the President's Daily Brief, a report of developments worldwide in the preceding 24 hours. Other officials receive a similar document, the National Intelligence Daily. During the course of the day, the National Security Advisor takes the President intelligence reports on significant, developments overseas. In a crisis, the flow of information increases and the President will receive briefings in meetings with his senior White House, State, Defense, and Intelligence advisors. Other senior policy officials receive similar support, tailored to their special responsibilities and needs.

Second, intelligence has a role to play in the development of longer-range policies. All Presidents have created various Cabinet and sub-Cabinet level committees to examine policy

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options and to plan for the future. Meetings of these groups usually begin with an intelligence briefing. The Intelligence Community also contributes analysis to policy papers describing both the events at hand and potential opportunities or problems for the United States.

Beyond such briefings and contributions to policy papers, National Intelligence Estimates play an important role in the making of policy. These estimates are the most formal expression of Intelligence Community views and all of the intelligence agencies of the government both contribute to and coordinate on what is said in these estimates. In recent years there has been special emphasis on the presentation of disagreements, alternative views and the description of diverse possible outcomes -- along with an extra effort to ensure their relevance. This process of debate can be a tough one. Faint hearts should stay away. Views are challenged routinely and dissents are common.

In the end, every estimate is considered and approved by the heads of all US intelligence agencies. While we are occasionally wrong, and our debates occasionally fierce, we are incredibly jealous of our independence and objectivity. Stories you read about slanted intelligence are false. Neither Congressional Intelligence Oversight Committee has identified any slant in assessments and they see them all. And, I can assure you, they would not hesitate to bring any such concern

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to our and the publics attention. In the drafting, debate, coordination and approval process, the integrity and objectivity of our estimates are protected.

The value and significance of the estimates varies. Some that have the most impact, like the military estimates, receive modest attention at the top levels of government. Those on problems that are important but on which few policymakers are expert -- like Cambodia, International Narcotics Trade or Southern Africa -- are read closely, as are those on certain economic issues. Some, like Mexico, get attention because they are provocative. Those covering problems so vast and complicated that a policymaker can't get his or her arms around them -- like foreign technological competition -- are read with interest but sometimes are just too sweeping to serve as a focus for action. There are, regrettably, some estimates that are either irrelevant to current concerns, too long or even wrong -- and they deserve the ignominious fate they often suffer. But most estimates simply provide background, perspective, information and are as objective and unambiguous a forecast of the future on a given subject or issue as we can develop. And I believe these estimates play their proper role in informing policy decisions.

Finally, another means by which the policy process is informed are specialized assessments by individual agencies. CIA's assessments or research program is the product of the

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largest intelligence analysis organization in the world. The range of issues is breathtaking -- from strategic weapons to food supplies; epidemiology to space; water and climate to Third World political instability; mineral resources to international finance; supplies of energy and oil to forced labor camps; Soviet laser weapons to remote tribal demographics; chemical and biological weapons proliferation to commmodity supplies; and many, many more.

The third and perhaps most important way in which intelligence reaches policymakers is through warning reports. In this connection, the top priority for the American Intelligence Community is providing warning of war. Next in importance is monitoring military and weapons developments of our adversaries, including their research and development on future weapon systems. Following that, we pay attention to warning of problems in a host of other areas from instability in key Third World countries, to resource shortages and energy supplies to the implications of demographic developments around the world, to food supplies and famine, and, most recently of all, to the technological prowess of competitor nations.

I also should note that Intelligence also affects the policy process through our support for Congress. Last year, CIA alone gave some 1600 briefings on Capital Hill, and provided thousands of intelligence assessments -- and by no means only to our Oversight Committees.

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Covert Action

This business of collection, analysis, warning and estimating unfortunately is pretty tame stuff -- it certainly grabs no headlines nor does it have the sparkle of intrigue and excitement. That role is played by covert action, which, because it is more in keeping with the popular imagination of the spy business, gets media attention far disproportionate to the scope of such activities.

Covert action is an effort on the part of any government clandestinely to assist its friends, promote setbacks to its adversaries, and overall advance its interests. In the case of the United States, it includes support to opposition elements in totalitarian states, to democratic forces in authoritarian states, and to those resisting Communist aggression.

Most of the myths about CIA and most of the criticism of the Agency derive from its role in covert action. Covert action is an instrument of foreign policy, always decided upon by policy officials, briefed to Congressional oversight committees, governed by extraordinarily far-reaching rules and laws, and implemented by CIA. This instrument has been used by every Administration since World War II. There have been important successes and important failures, as is logical when

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one considers that covert action is often -- too often -- an option of last resort, where no other means has worked or can even be tried. Both the successes and the failures of covert operations approved by policymakers and funded by Congress have generated criticism of the Agency.

No nation in the world has such an elaborate set of checks and balances and safeguards with respect to covert activity as does the United States -- an approach fully in keeping with the type of government we have. It is an instrument that must be used sparingly, effectively, and proportionately. Covert activities must be chosen with care and in the context of larger political considerations. Covert action is an instrument where accountability, both inside the Executive Branch and with respect to the Congress, must be strict. And we all subscribe to the rule of thumb articulated by the President, that any covert action should seem to the American people consistent with both our principles and our interests if it were to become public.

Problems and Concerns

The relationship between the Intelligence Community and the policy community is always touchy. If it is not, we in intelligence clearly are not doing our job. On many issues, it is not possible consistently to satisfy simultaneously the

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Departments of State and Defense, the National Security Council staff, other agencies of the government, and the Congress. Someone will often be unhappy at us for assessments with which they disagree.

Let me be more specific about what we in intelligence consider to be our biggest problems as we think about our support for the policymaker.

1. How do we obtain and sustain quality analysis? How do we produce realistic, tough-minded and accurate assessments? How do we identify and offset our own biases?

2. How do we balance our resources in both collection and analysis between requirements for current intelligence and the need for information on longer term problems?

3. How do we establish a close relationship to the policymaker required for relevance and timeliness without getting so close that our independence and objectivity are jeopardized? How do we remain objective when CIA is involved in the policy -- whether covert action or counterterrorism, or others?

4. How do we take into account inherent uncertainties of any given situation, express those uncertainties to the policymaker and be honest about our own uncertainty?

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5. How, in both collection and analysis, do we ensure our openness to new ideas, new approaches, and new ways of doing things?

6. How do we ensure that important intelligence information reaches the policymaker in a timely way -- often through a phalanx of aides and special assistants?

7. How do we ensure that we are working on problems important to the policymaker and reflecting their priorities?

8. How do we get the attention of policymakers who often have such a short tenure for long term problems that we have identified?

9. How do we cope with expectations on the part of policymakers and members of Congress unfamiliar with the world of intelligence? How do we help them understand that we often are trying to forecast decisions that have not been made, provide firm answers where they are not possible, and collect information where the realities weigh heavily against success?

10. How can we get policymakers and the Executive Branch and would-be policymakers in the Congress to protect

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our intelligence sources better and to be more aggressive about security?

The policymakers have their own complaints about intelligence support:

1. They seek day to day battlefield intelligence, especially in the political arena where we are often unable to provide it. By the same token, occasionally our intelligence is actually too good and reduces the policymakers' flexibility or room for maneuver.

2. They often are unhappy when intelligence assessments by implication challenge policy, whether on Lebanon, the Soviet gas pipeline, grain embargoes, or Vietnam -- although there are other examples where policymakers have read a situation or the future better than we.

3. The Intelligence Community is always updating or revisiting its assessments, a source of frustration to policymakers who then must sometimes revise a policy or negotiating strategy built on earlier intelligence.

4. Because almost all intelligence goes to the Congress, it is often used as ammunition against the policymaker.

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5. Intelligence assessments occasionally are just flat wrong, and the policymaker must cope with the consequences.

6. Intelligence is usually an institutional Cassandra -- it is the voice of gloom and doom. It is too reluctant to explore the vulnerabilities of our adversaries and opportunities for our own government.

7. The expression of uncertainty, ambiguity, or alternative analyses are often seen as hedging by the policymakers.

Most of these policymaker concerns are inherent in the dynamic interaction between policymakers and intelligence officers. But contrary to what you might read or hear, most of the time the relationship is cooperative and productive. And, in recent years especially, policymakers have looked to us and depended upon us with increasing frequency and confidence.

Future Challenges

What are the future problems and trends that will face the Intelligence Community? First and foremost is the Soviet problem. In the 1950s and 60s, the United States had

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comfortable margins of economic, military and political power over the USSR. The dominant reality now is that there is no margin for error -- the cost of intelligence miscalculations will be high. The military problem has become harder with greater denial and deception, more weapons under development, higher technologies and the potential of dangerous breakthroughs. Meanwhile the political situation, and now even the economic forecast, is significantly less predictable than the period from 1964 to 1985.

Second, intelligence is becoming more central to the policy process. Whether in technology transfer, international energy and economics, arms control or a score of other issues, policy depends both tactically and strategically on high quality intelligence. This will make guarding our objectivity both more difficult -- and more important.

Third, increasingly CIA and the Intelligence Community are the only elements of the government looking to the future in a coherent manner. At a time when an average tenure of an Assistant Secretary in Washington is 21 months, we are identifying military, economic, demographic, resource, and other issues that will not become serious problems for five or ten years or even into the 21st Century. We are scouting the future and the challenge is getting someone to pay attention.

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Fourth, we must recognize that intelligence probably through the remainder of this century will be an important offensive instrument of American foreign policy as it is used to complement more traditional economic, political and military programs to support those resisting aggression, to promote the forces of democracy or nationalism, to counter terrorism, or to disrupt international narcotics networks.

Fifth, as recent events have made clear, more must be done about security -- of people and of facilities.

The real intelligence story in recent years is the significant improvement, with help from both the President and Congress, in the quality, relevance and timeliness of intelligence support to the policymaker -- a story that has been neglected in preference to controversial covert actions, problems between CIA and the Congress, and spy scandals. We understand this political reality, but it is imperative that Americans know that our primary mission remains the collection and analysis of information. We carry out this mission with integrity, dedication, and skill. The President, the policy community and the Congress -- our customers -- depend upon us, task us, and help us more and more each day. We attract America's brightest young people, who find with us exceptionally challenging, honorable, and consistently fascinating careers.

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The United States has the finest global intelligence service in the world. It helps to safeguard our freedoms against our adversaries and helps the policymaker understand and deal with an increasingly complex and unpredictable world around us. CIA is truly America's first line of defense; its eyes and ears, and at times its hidden hand. And, I assure you, it is alive and well, serving as the nation's watchman in the global night.

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